A \$16 muffin? Justice Dept. audit finds 'wasteful' and extravagant spending By Jerry Markon, September 20, 2011

Where does a muffin cost more than \$16?

At a government conference, it turns out.

They may run just over \$2 at your average coffee shop, but the Justice Department paid seven to eight times as much at a gathering it held at the Capital Hilton in Washington. And on Tuesday, the muffins seemed well on their way to joining the Pentagon's \$600 toilet seat as symbols of wasteful spending.

Justice Department auditors also criticized a \$76-per-person lunch at a conference at a Hilton in San Francisco, featuring slow-cooked Berkshire pork carnitas, hearts-of-romaine salad — and coffee at \$8.24 a cup.

A <u>report</u> released Tuesday by the department's acting inspector general, <u>Cynthia A. Schnedar</u>, is full of what she called "wasteful or extravagant spending" at 10 law enforcement conferences spanning the George W. Bush and Obama administrations. Descriptions of cookies and brownies costing the government nearly \$10 each and beef Wellington hors d'oeuvres at \$7.32 per serving struck a nerve in Washington, where austerity and belt-tightening are the watchwords at a time of economic hardship.

The reaction was blistering — and bipartisan.

"Sixteen-dollar muffins and \$600,000 for event planning services are what make Americans cynical about government and why they are demanding change," said Sen. <u>Charles E. Grassley</u> (Iowa), the ranking Republican on the Senate Judiciary Committee. "The Justice Department appears to be blind to the economic realities our country is facing. People are outraged, and rightly so."

His Democratic counterpart, Judiciary Committee Chairman Patrick J. Leahy (Vt.), added that "wasteful spending is never justified" and that "like all agencies, the Justice Department will be asked to trim its spending."

Even the auditor's report noted the irony that Justice was failing to fully "minimize" costs as required under guidelines put in place after an <u>audit</u> in 2007, when the department had drawn criticism for serving platters of Swedish meatballs costing nearly \$5 each.

Justice officials did not dispute most of the findings. The department did not offer an official to speak by name, but a spokeswoman who was not authorized to comment publicly said the agency "agrees that excessive spending of the types identified in the report should not occur" and has taken steps to prevent it. She said conference costs have been cut this year as part of an effort to curtail nonessential spending, though she could not specify an amount.

Justice Department officials gave auditors a variety of explanations for the expenses, saying consultants they hired to help plan events had valuable knowledge and that the department had done its best to control costs. Officials from one Justice office said they thought they were saving money by serving muffins and other snacks instead of full meals.

Overall, in 2008 and 2009, the Justice Department held or participated in 1,832 conferences at a cost of \$121 million, the report said. The conferences examined by auditors, on topics from drug enforcement to violence against women, were held at elite hotels — including the Omni Shoreham and the J.W. Marriott in Washington and the Grand Hyatt in Denver — that added service fees of roughly 20 percent to the food costs.

Most of the conferences studied were held or planned during the Bush administration, and the report included a May 2009 memo from then-Deputy Attorney General David W. Ogden vowing that the Obama administration would crack down on conferences and other "extravagant spending, especially during these challenging financial times."

The event that raised the most eyebrows — the 2009 legal training conference in Washington sponsored by Justice's Executive Office for Immigration Review — was held three months after the Ogden memo. It featured 250 assorted muffins for \$4,200, or \$16.80 apiece, and \$2,880 for 300 cookies and brownies, along with various pastries and snacks.

That prompted Rep. Frank R. Wolf (R-Va.) to write a letter to Attorney General Eric H. Holder Jr. on Tuesday, pointing out that the muffins were served "during your tenure as Attorney General."

"It is clear that while American taxpayers were tightening their belts and making difficult financial decisions, the department was splurging on wasteful snacks," the letter said.

Sen. <u>Jeff Sessions</u> (R-Ala.), a former federal prosecutor, called the expenditures revealed in the report "outrageous" and said Justice officials "spend too much time attending conferences."

The report criticized the Justice Department for spending about \$600,000 in grant funds for "event planning services" by outside firms at five of the conferences. Schnedar, the acting inspector general, also found that the department spent nearly \$3,500 in "unallowable and unnecessary" costs to fly a consultant three times between Alaska and California to help plan a 2008 conference on reducing violence on Indian lands

Justice officials defended that expenditure. "The consultant was the only event planner who had the expertise and knowledge" in areas such as "substantive knowledge of Native American traditions and cultures," Laurie O. Robinson, assistant attorney general for the Office of Justice Programs, wrote in response to the report.